

SETTLEMENT AGREEMENT AND GENERAL RELEASE

This SETTLEMENT AGREEMENT AND GENERAL RELEASE ("Agreement") is made and entered into by and between Michael P. Mathis ("Mathis"), and Joseph G. Bruno, in both his individual and official capacity as the Mayor of the Township of Berkeley Heights ("Bruno"), and the Township of Berkeley Heights ("Township") in full and final settlement of the action pending in the Superior Court of New Jersey, Law Division, Union County, captioned as "Michael P. Mathis, Chief of Police, Plaintiff, v. Joseph G. Bruno, Mayor of the Township of Berkeley Heights and the Township of Berkeley Heights, Defendants," Docket No. UNN-L-2391-14 ("Lawsuit"). The term "Township" as used herein includes the Township Council, the Township as a body corporate and politic, and the individual members of the Township Council. Mathis, Bruno, and the Township are referred to collectively herein as "the Parties."

In consideration of the mutual promises contained herein, it is agreed as follows:

1. The parties agree that they, through their attorneys, on or before the date of execution of this Agreement, will execute a Stipulation of Dismissal With Prejudice and Without Costs and/or Attorneys' Fees to Any Party. Township counsel will hold the executed Stipulation in escrow and refrain from filing same until the settlement check described below in Paragraph 3 is delivered to Mathis' counsel.
2. The Parties agree, for purposes of effecting this Agreement, that the period from July 1, 2014 through October 31, 2014, shall be treated as a period of inactive leave with pay for Mathis and that Mathis shall retire and resign from employment as Chief of Police with the Township effective as of November 1, 2014. Mathis acknowledges and agrees that his resignation from employment with the Township effective November 1, 2014 is irrevocable and that his employment with the Township shall be forever terminated effective as of that date.
3. The Township shall make a payment to Mathis in the gross amount of \$ 49,836.78 (Forty-Nine Thousand, Eight Hundred Thirty-Six and 78/100ths Dollars), which constitutes the gross amount of his regular salary from July 1, 2014 through October 31, 2014. Regular and customary deductions for taxes and other purposes shall be made from this payment. Mathis shall not accrue any other pay or benefits from the Township for the period from July 1, 2014 through October 31, 2014 and thereafter.
4. The Township shall sell to Mathis for the price of \$1.00 the Glock 36 semiautomatic pistol (Serial No. UGC975) that he used while employed by the Township. Prior to said sale, Mathis must fulfill all legal requirements necessary for the purchase of the revolver. The Township shall also provide Mathis with a "Retired Police Chief's" badge.
5. The check reflecting the payment referred to in paragraphs 3 shall be issued on or before December 31, 2014, but shall be held in escrow by counsel for the Township subject to completion of all steps necessary for effectuation of the settlement including the parties' execution of this Agreement, passage of the revocation period, and formal approval of this settlement by the Township's insurance carrier. Once all of these steps have been completed, the check shall be delivered promptly to counsel for Mathis.

6. Mathis acknowledges that the payment referred to above in Paragraph 3 is made in return for his execution of this Agreement and constitutes consideration not otherwise owed to him and that said payment is made in full settlement of all claims in the Lawsuit, including any and all claims for attorneys' fees and costs. Mathis agrees that said payment and the benefits referred to in Paragraph 8 below constitute the only payment and the only benefits to which he is entitled under this Agreement. Mathis agrees that, except for the payments and benefits referred to in this Agreement, he shall not seek any other payments and benefits from the Township or any other Releasee in any forum.

7. In addition to the payment referred to in Paragraph 3 above, Mathis is entitled by law to and shall be paid a payment for 235.25 hours of accrued but unused compensatory time in the total gross amount of \$22,292.29 (Twenty-Two Thousand, Two Hundred Ninety-Two and 29/100ths Dollars) less applicable deductions. This time was accrued prior to the time Mathis became Chief of Police. It shall be paid out at the rate of pay for Mathis at the time he was Captain. Said payment is **not** consideration for execution of this Agreement. Mathis would be entitled to this payment upon termination of employment even if he elected not to sign this Agreement. The Township has deferred making this payment to date because of Mathis' prior legal position, which the Township has disputed and continues to dispute, that his employment was not legally terminated. By signing this Agreement, Mathis does, however, waive and release any and all claims for additional payments for the compensatory time referred to in this Paragraph and for any other compensatory time or payment in lieu thereof. The payment referred to in this Paragraph, shall be made to Mathis within thirty business days of receipt by the Township of two originals of this Agreement executed by Mathis. This payment shall be delivered to counsel for Mathis after January 1, 2015, but no later than January 31, 2015.

8. The Township shall provide Mathis and his eligible dependents with lifetime medical and dental benefits in accordance with the retiree medical and dental benefits provision of the collectively negotiated agreement between the Township and the Superior Officer's Association in effect as of November 1, 2014 ("CNA"). Mathis acknowledges that he is not entitled to any other benefits under the CNA and that, during the period he served as Chief of Police and as of the date of his retirement, he was not a member of the collective negotiations unit covered by the CNA. The parties' obligations and entitlements under this paragraph may only be modified if required in the future by federal and/or state law with respect to retiree medical and dental insurance, relating to contributions.

9. In consideration for the payment referred to in Paragraph 3 above and the actions referred to in Paragraph 4 above, Mathis knowingly and voluntarily waives, releases and gives up any and all claims and rights, known and unknown, which he may have against the Township, Joseph G. Bruno (in both his individual and official capacity), the Township Council, the current and former members of the Township Council (in both their individual and official capacities), and any current or former official, employee, representative, or agent of the Township [collectively referred to as the "Releasees"] based upon any act, event, or omission occurring prior to the execution of this Agreement, including, but not limited to, any and all claims (1) made or which could have been made in the Lawsuit; (2) arising out of or relating in any way to Mathis' employment with the Township and/or the termination of said employment; (3) under

the Constitution of the United States, the Constitution of the State of New Jersey, the Age Discrimination in Employment Act of 1967, as amended by the Older Workers Benefit Protection Act of 1990; Title VII of the Civil Rights Act of 1964; the Civil Rights Act of 1991; 42 U.S.C. § 1981; the Equal Pay Act; the Americans With Disabilities Act; Sections 503 and 504 of the Rehabilitation Act of 1973; the Family and Medical Leave Act; the Employee Retirement Income Security Act of 1974, as amended; the Occupational Safety and Health Act; the Workers' Adjustment and Retraining Notification Act, as amended; the Sarbanes-Oxley Act of 2002; the Fair Labor Standards Act, the False Claims Act, the New Jersey Law Against Discrimination; the New Jersey Conscientious Employee Protection Act, the New Jersey Civil Rights Act, the New Jersey Wage Payment Act, and/or any other federal, state, or local statute, code or ordinance; (4) under the common law, including, but not limited to, any and all claims for breach of implied or express contract, breach of promise, misrepresentation, negligence, fraud, estoppel, defamation, intentional or negligent infliction of emotional distress, violation of public policy, wrongful or constructive discharge, tortious interference with contract or economic relations, fraudulent inducement, wrongful denial of wages or benefits, whistleblowing, and retaliation for whistleblowing; and (5) for attorneys' fees and costs. This Release is intended to release any and all claims and rights against any or all of the Releasees, including any and all claims for attorneys' fees, arising on or before the date of the execution of this Agreement to the fullest extent permitted by law.

10. Mathis represents that, other than the Lawsuit, there are no other pending or contemplated lawsuits, charges or other claims of any nature whatsoever by him against any or all of the Releasees in any state or federal court or any agency or other administrative body. Mathis agrees and covenants not to commence, maintain, or prosecute any lawsuit against any or all of the Releasees in any forum, based upon any events, whether known or unknown, occurring prior to the date of the execution of this Agreement. To the extent applicable law would permit Mathis to file charges with an administrative agency relating to his employment with the Township or the termination thereof, Mathis hereby waives any right to obtain monetary compensation in any such proceeding.

11. Mathis agrees that he shall not in the future apply for employment with the Township, and that the Township has no obligation, contractual or otherwise, to hire or employ him in the future, either directly or indirectly, as an employee, contractor, consultant, or otherwise.

12. Mathis agrees to cooperate with the Township and its counsel with respect to any litigation or other matter which arose during his employment with the Township.

13. Mathis covenants and agrees that neither he nor any of his agents, representatives, or family members shall disclose to any person, persons, or entity, either directly or indirectly, by any means (including verbally, in writing, electronically, by email, twitter, social media, or otherwise) any information whatsoever relating to: (1) the Lawsuit or any of the issues or allegations of the Lawsuit; (2) any of the facts and circumstances giving rise to, causing or concerning the Lawsuit; (including, but not limited to, any and all communications with the Mayor, members of the Township Council, or any current or former Township employee); (3) this Agreement; and/or (4) the facts and circumstances giving rise to or relating to this Agreement. Mathis acknowledges that the confidentiality obligation set forth in this Paragraph

applies to all communications relating to any of the above-referenced matters including, but not limited to, any and all communications with the Mayor, members of the Township Council, or any current or former Township employee relating to any of the above-referenced matters. The confidentiality obligation set forth in this Paragraph shall remain binding upon Mathis and his agents, representatives and family members even if any of the above information is disclosed by others or otherwise becomes known to the public. Nothing in this Paragraph shall prevent or preclude Mathis from (1) bringing an action to enforce this Agreement if he believes it has been breached; (2) complying with a lawful subpoena, provided that Mathis provides the Township with notice of any such subpoena and give the Township the opportunity to oppose enforcement of the subpoena; and (3) disclosing the information to his immediate family members, attorneys, accountants, and/or tax advisors, provided that any such recipients shall be obligated to keep this information confidential consistent with the requirements of this Paragraph. If Mathis and/or any of his family members, attorneys, representatives or agents, are asked about the disposition of the Lawsuit, they shall state only that the Lawsuit has been resolved and shall not disclose any other information about the Lawsuit or its settlement.

14. This Agreement is not and shall not be considered or construed as an admission by the any or all of the Releasees of any of the acts or omissions alleged or which could have been alleged by Mathis in the Lawsuit. The Parties agree that none of them is a prevailing party in the Lawsuit.

15. This Agreement constitutes the entire and final agreement among the Parties. No other agreement or modification will be binding upon the Parties unless it is made in writing and signed by all Parties.

16. New Jersey law shall govern this Agreement, and any action arising out of or relating in any way to this Agreement or any of its terms must be brought in the state or federal courts of New Jersey.

17. If any provision of this Agreement is determined by a court to be illegal, invalid or unenforceable, that provision shall not be a part of this Agreement. The legality, validity and enforceability of the remaining provisions of the Agreement shall not be affected by such a determination.

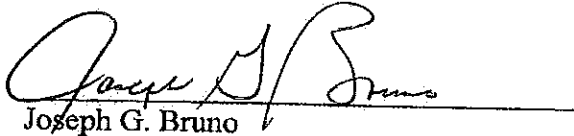
BY SIGNING THIS AGREEMENT, MATHIS CONFIRMS THAT:

- a) HE HAS READ THE AGREEMENT AND AGREES WITH EVERYTHING IN IT;
- b) HE UNDERSTANDS THE AGREEMENT AND KNOWS THAT HE IS FOREVER WAIVING AND RELEASING ALL CLAIMS REFERRED TO IN PARAGRAPH NINE (9) ABOVE AND SIGNS THIS AGREEMENT KNOWINGLY AND VOLUNTARILY;

- c) HIS ATTORNEY NEGOTIATED THIS AGREEMENT WITH HIS KNOWLEDGE AND CONSENT AND THOROUGHLY REVIEWED THE TERMS OF THIS AGREEMENT WITH HIM;
- d) HE HAS BEEN GIVEN TWENTY-ONE DAYS TO CONSIDER THIS AGREEMENT AND UNDERSTANDS THAT HE CAN REVOKE HIS CONSENT TO THIS AGREEMENT WITHIN SEVEN DAYS OF SIGNING IT AND THAT THIS AGREEMENT IS NOT FINAL AND BINDING UNTIL THE SEVEN-DAY REVOCATION PERIOD HAS PASSED WITHOUT REVOCATION OF THIS AGREEMENT BY HIM.
- e) HE UNDERSTANDS THAT THIS AGREEMENT DOES NOT APPLY TO CLAIMS THAT ARISE AFTER THE EFFECTIVE DATE OF THIS AGREEMENT.

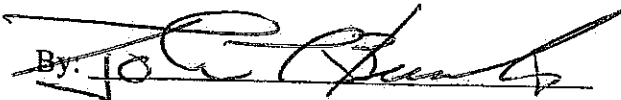

Michael P. Mathis

Date: 12/31/14


Joseph G. Bruno

Date: 1/5/15

Township of Berkeley Heights

By: 
Title: Township Adm.

Date: 1/5/15

Agenda Item No.:**TOWNSHIP OF BERKELEY HEIGHTS
UNION COUNTY, NEW JERSEY****RESOLUTION**

WHEREAS, Michael P. Mathis filed litigation against the Township of Berkeley Heights and then Mayor Joseph G. Bruno, entitled Michael P. Mathis, Chief of Police, Plaintiff, v. Joseph G. Bruno, Mayor of the Township of Berkeley Heights and the Township of Berkeley Heights, Defendants, Docket No. UNN-L-2391-14 (the "Litigation"); and

WHEREAS, during the pendency of the action, the parties agreed to a settlement of the Litigation; and

WHEREAS, the terms and conditions of settlement have been memorialized into a written Settlement Agreement and General Release (the "Settlement Agreement"), which is attached hereto and made a part hereof; and

WHEREAS, pursuant to the terms of the settlement, and in addition to other terms and conditions set forth in the Settlement Agreement, Mr. Mathis agreed to withdraw and dismiss his claims against Mayor Bruno and Township, with prejudice, and release any and all current or future claims against the Township, current and former Mayors, Council members and the Council, in exchange for the Township's payment to Mr. Mathis in the amount of \$49,836.78, which constitute the gross amount of his regular salary from July 1, 2014 through October 31, 2014, with regular and customary deductions for taxes and other purposed being made from this payment, of which the Township is responsible for remitting \$30,000.00, and the Township's insurance carrier contributing the remainder; and

WHEREAS, the Settlement Agreement has already been signed by Mr. Mathis; and

WHEREAS, the Township Council of the Township of Berkeley Heights finds it to be in the best interest of the Township to enter into the Settlement Agreement with the Mr. Mathis thereby resolving the Litigation.

NOW, THEREFORE, BE IT RESOLVED that the Township Council of the Township of Berkeley Heights, County of Union, State of New Jersey, hereby authorizes and approves the settlement of the Litigation with Michael P. Mathis pursuant to the terms and conditions set forth in the Settlement Agreement in the form attached hereto.

BE IT FURTHER RESOLVED that the Mayor and Township Clerk are hereby authorized to sign and execute the Settlement Agreement.

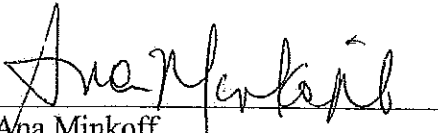
BE IT FURTHER RESOLVED that the Mayor, Township Administrator, Township Clerk, Township Attorney, and other appropriate municipal officials are hereby authorized to

take any and all actions required to complete the settlement and fulfill the purpose of this Resolution, including the appropriate of the amount of \$30,000.00 to Mr. Mathis.

BE IT FURTHER RESOLVED that this Resolution shall take effect pursuant to law.

APPROVED this 20th day of January, 2015.

ATTEST:


Ana Minkoff
Township Clerk

ROLL CALL				
	AYE	NAY	ABSTAIN	ABSENT
DELIA	✓			
FAECHER	✓			
HALL	✓			
KINGSLEY	✓			
PASTORE	✓			
PIRONE	✓			
TIE:				
MAYOR WOODRUFF				